

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

October 24, 2008

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.: 07HD-092

Hawaii

Amend Prior Board Action of December 13, 2002, Agenda Item D-27, Sale of Remnant to 1366 Kinoole Partners LLC & GP Hoaloha, Limited Partnership; Waiakea, South Hilo, Hawaii, TMK: 3rd/2-2-25:32.

BACKGROUND:

At its meeting of December 13, 2002, Agenda Item D-27 (Exhibit A), the Land Board approved the sale of remnant State land to 1366 Kinoole Partners LLC and GP Hoaloha, Limited Partnership; Waiakea Houselots, Waiakea South Hilo, Hawaii, TMK: 3rd/2-2-25:32.

Delays in obtaining survey maps have prevented this disposition from being competed. Subsequently, GP Hoaloha, Limited Partnership has submitted a letter stating they no longer willing to participate in the purchase of the remnant State parcel.

Staff is therefore recommending that the Board amend its prior action of December 13, 2002, agenda item D-27 by excluding GP Hoaloha, Limited Partnership.

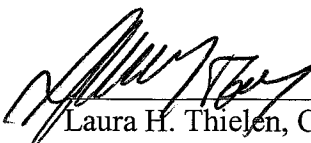
RECOMMENDATION: That the Board:

1. Amend its prior board action taken at its meetings of December 13, 2002, Agenda Item D-27 by excluding GP Hoaloha, Limited Partnership from the request;
2. Review and approval by the Department of the Attorney General; and
3. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully submitted,


Gordon C. Heit
Land Agent

APPROVED FOR SUBMITTAL:


Laura H. Thielen, Chairperson

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

December 13, 2002

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.: 02hD 480

Hawaii

Sale of Remnant to 1366 Kinoole Partners, LLC & GP Hoaloha Limited Partnership, Waiakea, South Hilo, Hawaii, Tax Map Key: 3rd/2-2-25:32.

APPLICANT:

1366 Kinoole Partners LLC a Hawaii corporation whose business and mailing address is 85 West Lanikaula St. Hilo, Hawaii 96720, and GP Hoaloha, Limited Partnership, a Nevada corporation whose business and mailing address is 318 North Carson St. Ste. 208, Carson City Nevada 89701.

LEGAL REFERENCE:

Section 171-52, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Waiakea Houselots situated at Waiakea, South Hilo, Hawaii, identified by Tax Map Key: 3rd/2-2-25:32, as shown on the attached map labeled Exhibit A.

AREA:

0.119 acres, more or less.

ZONING:

State Land Use District: Urban
County of Hawaii CZO: Residential-RS 10

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

APPROVED BY THE BOARD OF
LAND AND NATURAL RESOURCES
AT ITS MEETING HELD ON

Item D-27

12/13/02

CURRENT USE STATUS:

Vacant and unencumbered.

CONSIDERATION:

One-time lump sum payment of fair market value to be determined by independent or staff appraiser, subject to review and approval by the Chairperson.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the "Division of Land Management's Environmental Impact Statement Exemption List", approved by the Environmental Council and dated April 28, 1986, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, Item No. 2 that states "existing authorized use of State land that continues with no interruption or change in use.".

DCCA VERIFICATION:

1366 Kinoole Partners LLC

Place of business registration confirmed:	YES <u>X</u>	NO <u> </u>
Registered business name confirmed:	YES <u>X</u>	NO <u> </u>
Applicant in good standing confirmed:	YES <u>X</u>	NO <u> </u>

GP Hoaloha Limited Partnership

Place of business registration confirmed:	YES <u>X</u>	NO <u> </u>
Registered business name confirmed:	YES <u>X</u>	NO <u> </u>
Applicant in good standing confirmed:	YES <u>X</u>	NO <u> </u>

APPLICANT REQUIREMENTS:

Applicant shall be required to:

- 1) Pay for an appraisal to determine the one-time payment of fair market value for the remnant;
- 2) Consolidate the remnant with the Applicant's abutting property through the County subdivision process;
- 3) Provide survey maps and descriptions according to State DAGS standards and at Applicant's own cost;
- 4) Pay for the pro-rated cost to subdivide the remnant so that portions may be sold to multiple abutting owners.

REMARKS:

Pursuant to section 171-52, HRS, a remnant is defined as "a parcel of land economically or physically unsuitable or undesirable for development or utilization as a separate unit by reason of location, size, shape, or other characteristics." The subject parcel has been determined to be a remnant by this definition for the following reasons:

- 1) The parcel is an abandoned railroad right-of-way.

Applicants are the owners of parcels (3) 2-2-25:24 (1366 Kinoole Partners LLC) and (3) 2-4-57:27 (GP Hoaloha Limited Partnership) as staff has confirmed by an on-line research through the County of Hawaii Real Property Tax Office. According to Section 171-52, HRS, if there is more than one abutting owner who is interested in purchasing the remnant, it shall be sold to the one submitting the highest sealed bid or if the remnant abuts more than one parcel, the Board may subdivide the remnant so that a portion may be sold to each abutting owner.

Both applicants are the only two abutting landowners and are requesting the sale of the remnant parcel together. Sealed bids were not requested and both applicants will share in the cost of the subdivision and all applicable fees pertaining to the sale of the remnant parcel.

Applicants have not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

Various Federal, State and County agencies were solicited for comments. There were no comments or objections to the sale of this remnant parcel of land.

RECOMMENDATION:

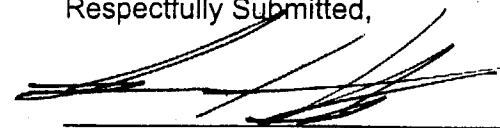
That the Board:


1. Find that the subject lands are economically or physically unsuitable or undesirable for development or utilization as a separate unit by reason of location, size, shape, or other characteristics and, therefore, by definition is a remnant pursuant to Chapter 171, HRS.
2. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
3. Authorize the subdivision and consolidation of the subject remnant by the Applicant.
4. Subject to the Applicant fulfilling all of the Applicant Requirements listed above, authorize the sale of the subject remnant to 1366 Kinoole Partners, LLC & GP Hoaloha Limited Partnership covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - a. The standard terms and conditions of the most current deed or grant (remnant) form, as may be amended from time to time;

December 12, 2002

- b. Review and approval by the Department of the Attorney General; and
- c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

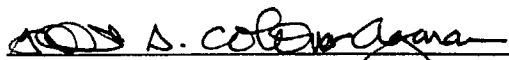
Respectfully Submitted,



 Gordon Heit
Land Agent



APPROVED FOR SUBMITTAL:



GILBERT S. COLOMA-AGARAN, Chairperson

**REDUCED/NOT TO
SCALE**

